

ROUTING AND TRANSMITTAL SLIP		Date
		30 May 1986
TO: (Name, office symbol, room number, building, Agency/Post)		Initials Date
1. Memorandum for the Record		
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Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

On 23 May 1986 I informed Sue Thau that with respect to their legislative referral memorandum of 19 May 1986 on Diplomatic Security and Anti-terrorism Act as reported by the Senate Foreign Relations Committee, that we strongly opposed section 106 (b) of the bill and insisted on the House version of section 106 (b). We would most likely oppose the bill if we did not achieve this.

This is completed action

OCA # 86-1707

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)	Room No.—Bldg.
	Phone No.

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OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

* U.S.G.P.O.: 1983 - 421-529/320

Act 1
CIA 66-~~110~~ 1707

OFFICE OF CONGRESSIONAL AFFAIRS

Routing Slip

	ACTION	INFO
1. D/OCA		X
2. DD/Legislation		X
3. DD/Senate Affairs		X
4. Ch/Senate Affairs		
5. DD/House Affairs		X
6. Ch/House Affairs		
7. Admin Officer		
8. Executive Officer		X
9. FOIA Officer		
10. Constituent Inquiries Officer		
11. McMahon, J.	X	
12.		

SUSPENSE

25 May 46
Date

Action Officer:	
Remarks:	Told Lee that that we

strongly oppose 106(b) in Senate
well but want to house 106(b)

CJ / 29 May 46
Name/Date

If we do not get 106(b) as in
the House bill we oppose the leg

LEGISLATIVE AFFAIRS

86-1707



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 19, 1986

SPECIALLEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer -

DEPARTMENT OF STATE
DEPARTMENT OF ENERGY
DEPARTMENT OF JUSTICE
DEPARTMENT OF TRANSPORTATION
NATIONAL SECURITY COUNCIL
CENTRAL INTELLIGENCE AGENCY
UNITED STATES TRADE REPRESENTATIVE
OFFICE OF PERSONNEL MANAGEMENT
DEPARTMENT OF DEFENSE
DEPARTMENT OF COMMERCE

SUBJECT: Substitute amendment to H.R. 4151, "Diplomatic Security and Antiterrorism Act of 1986," as reported by Senate Foreign Relations Committee.

In anticipation of Senate floor action in early June, the proposed amendment is being circulated for your comments.

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than FRIDAY, MAY 23, 1986.

Questions should be referred to **SueThau/AnnetteRooney** (395-7300), the legislative analyst in this office.

RONALD K. PETERSON FOR
Assistant Director for
Legislative Reference

Enclosures

cc: M. Margeson
P. Scheinberg
R. Neely
G. Jones
N. Potok
P. Jacobs
T. Palmieri
J. Brown

J. Nix

SPECIAL

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Mr. Lugar

SUSAN THAW

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PROPOSED SUBSTITUTE AMENDMENT TO H.R. 4151

VIZ:

- 1 Strike out all after the enacting clause and insert in
2 lieu thereof the following:

3 SECTION 1. SHORT TITLE.

- 4 This Act may be cited as the "Diplomatic Security and
5 Antiterrorism Act of 1985".

6 SEC. 2. TABLE OF CONTENTS.

- 7 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I--DIPLOMATIC SECURITY

Sec. 101. Short title.

Sec. 102. Findings and purposes.

Sec. 103. Responsibility of the Secretary of State.

Sec. 104. Bureau of Diplomatic Security.

Sec. 105. Responsibilities of the Assistant Secretary for
Diplomatic Security.

Sec. 106. Cooperation of other Federal agencies.

TITLE II--DIPLOMATIC SECURITY SERVICE

Sec. 201. Establishment of Diplomatic Security Service.

Sec. 202. Director of Diplomatic Security Service.

Sec. 203. Positions in the Diplomatic Security Service.

TITLE III--PERFORMANCE AND ACCOUNTABILITY

Sec. 301. Accountability review.

Sec. 302. Accountability Review Board.

Sec. 303. Procedures.

Sec. 304. Findings and recommendations by a Board.

Sec. 305. Relation to other proceedings.

TITLE IV--DIPLOMATIC SECURITY PROGRAM

Sec. 401. Authorizations of appropriations.

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- Sec. 482. Diplomatic construction program.
- Sec. 483. Qualifications of persons hired for the diplomatic construction program.
- Sec. 484. Cost overruns.
- Sec. 485. Efficiency in contracting.
- Sec. 486. Training to improve perimeter security at United States diplomatic missions abroad.
- Sec. 487. Certain protective functions.

TITLE V--STATE DEPARTMENT AUTHORITIES TO COMBAT INTERNATIONAL TERRORISM

- Sec. 581. Rewards for information relating to international narcoterrorism and drug trafficking.
- Sec. 582. Counterterrorism Protection Fund.
- Sec. 583. Authority to control certain terrorism-related services.

TITLE VI--FASCELL FELLOWSHIP PROGRAM

- Sec. 681. Short title.
- Sec. 682. Fellowship program for temporary service at United States missions in the Soviet Union and Eastern Europe.
- Sec. 683. Fellowship Board.
- Sec. 684. Fellowships.
- Sec. 685. Secretary of State.

TITLE I--DIPLOMATIC SECURITY

SEC. 101. SHORT TITLE.

Titles I through IV of this Act may be cited as the "Diplomatic Security Act".

SEC. 102. FINDINGS AND PURPOSES.

(a) Findings.--The Congress finds and declares that--

(1) the United States has a crucial stake in the presence of United States Government personnel representing United States interests abroad;

(2) conditions confronting United States Government personnel and missions abroad are fraught with security

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1 concerns which will continue for the foreseeable future;
2 and

3 (3) the resources now available to counter acts of
4 terrorism and protect and secure United States Government
5 personnel and missions abroad, as well as foreign
6 officials and missions in the United States, are
7 inadequate to meet the mounting threat to such personnel
8 and facilities.

9 (b) Purposes.--The purposes of titles I through IV are--

10 (1) to set forth the responsibility of the Secretary
11 of State with respect to the security of diplomatic
12 operations in the United States and abroad;

13 (2) to provide for an Assistant Secretary of State to
14 head the Bureau of Diplomatic Security of the Department
15 of State, and to set forth certain provisions relating to
16 the Diplomatic Security Service of the Department of
17 State;

18 (3) to maximize coordination by the Department of
19 State with Federal, State, and local agencies and
20 agencies of foreign governments in order to enhance
21 security programs;

22 (4) to promote strengthened security measures and to
23 provide for the accountability of United States
24 Government personnel with security-related
25 responsibilities; and

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(5) to provide authorization of appropriations for the Department of State to carry out its responsibilities in the area of security and counterterrorism, and in particular to finance the acquisition and improvements of United States Government missions abroad, including real property, buildings, facilities, and communications, information, and security systems.

SEC. 103. RESPONSIBILITY OF THE SECRETARY OF STATE.

(a) Security Functions.--The Secretary of State shall develop and implement (in consultation with the heads of other Federal agencies having personnel or missions abroad where appropriate and within the scope of the resources made available) policies and programs, including funding levels and standards, to provide for the security of United States Government operations of a diplomatic nature and foreign government operations of a diplomatic nature in the United States. Such policies and programs shall include--

(1) protection of all United States Government personnel on official duty abroad (other than those personnel under the command of a United States area military commander) and their accompanying dependents;

(2) establishment and operation of security functions at all United States Government missions abroad (other than facilities or installations subject to the control of a United States area military commander);

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1 (3) establishment and operation of security functions
2 at all Department of State facilities in the United
3 States; and

4 (4) protection of foreign missions, international
5 organizations, and foreign officials and other foreign
6 persons in the United States, as authorized by law.

7 (b) Oversight of Posts Abroad.--The Secretary of State
8 shall--

9 (1) have full responsibility for the coordination of
10 all United States Government personnel assigned to
11 diplomatic or consular posts or other United States
12 missions abroad pursuant to United States Government
13 authorization (except for facilities, installations, or
14 personnel under the command of a United States area
15 military commander); and

16 (2) establish appropriate overseas staffing levels
17 for all such posts or missions for all Federal agencies
18 with activities abroad (except for personnel and
19 activities under the command of a United States area
20 military commander).

21 (c) Federal Agency.--As used in this title and title III,
22 the term "Federal agency" includes any department or agency
23 of the United States Government.

24 SEC. 104. BUREAU OF DIPLOMATIC SECURITY.

25 (a) The Bureau.--There shall be a Bureau of Diplomatic

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1 Security in the Department of State, to be headed by the
2 Assistant Secretary for Diplomatic Security. The Assistant
3 Secretary shall be responsible for carrying out the functions
4 and duties set forth in section 105 and such additional
5 functions as may be directed by the Secretary of State.

6 (b) Number of Assistant Secretaries.--The first section
7 of the Act entitled "An Act to strengthen and improve the
8 organization and administration of the Department of State,
9 and for other purposes," approved May 26, 1949 (22 U.S.C.
10 2652), is amended by striking out "fourteen" and inserting
11 in lieu thereof "fifteen".

12 (c) Positions at Level IV of the Executive Schedule.--
13 Section 5315 of title 5, United States Code, is amended by
14 striking out "(14)" following "Assistant Secretaries of
15 State" and inserting in lieu thereof "(15)".

16 (d) Compliance with Budget Act.--New spending authority
17 (within the meaning of section 421(c)(2)(C) of the
18 Congressional Budget and Impoundment Control Act of 1974)
19 provided by the amendment made by subsection (c) of this
20 section shall be effective for any fiscal year only to the
21 extent or in such amounts as provided in appropriations Acts.

22 SEC. 105. RESPONSIBILITIES OF THE ASSISTANT SECRETARY FOR
23 DIPLOMATIC SECURITY.

24 The Assistant Secretary for Diplomatic Security shall be
25 responsible for such activities related to diplomatic

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1 security as the Secretary of State shall designate.

2 SEC. 136. COOPERATION OF OTHER FEDERAL AGENCIES.

3 (a) Assistance.--In order to facilitate fulfillment of
4 the responsibilities described in section 103(a), other
5 Federal agencies shall cooperate (through agreements) to the
6 maximum extent possible with the Secretary of State. Such
7 agencies may, with or without reimbursement, provide
8 assistance to the Secretary, perform security inspections,
9 provide logistical support relating to the differing missions
10 and facilities of other Federal agencies, and perform other
11 overseas security functions as may be authorized by the
12 Secretary. Specifically, the Secretary may agree to delegate
13 operational control of overseas security functions of other
14 Federal agencies to the heads of such agencies, subject to
15 the Secretary's authority as set forth in section 103(a). The
16 agency head receiving such delegated authority shall be
17 responsible to the Secretary in the exercise of the delegated
18 operational control.

19 (b) Other Agencies.--The President shall prescribe such
20 regulations as may be necessary to assure that the
21 implementation of titles I through IV does not limit or
22 impair the authority or responsibility of any other Federal,
23 State, or local agency with respect to law enforcement,
24 domestic security operations, or intelligence activities (as
25 defined in Executive Order 12333).

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1 (c) Certain Lease Arrangements.--The Administrator of
2 General Services is authorized to lease (to such extent or in
3 such amounts as are provided in appropriation Acts) such
4 amount of space in the United States as may be necessary for
5 the Department of State to accommodate the personnel required
6 to carry out this title. The Department of State shall pay
7 for such space at the rate established by the Administrator
8 of General Services for space and related services.

9 TITLE II--DIPLOMATIC SECURITY SERVICE

10 SEC. 201. ESTABLISHMENT OF DIPLOMATIC SECURITY SERVICE.

11 There shall be, within the Bureau of Diplomatic Security,
12 the Diplomatic Security Service. The Diplomatic Security
13 Service shall perform such functions as may be assigned to it
14 by the Secretary of State.

15 SEC. 202. DIRECTOR OF DIPLOMATIC SECURITY SERVICE.

16 The Diplomatic Security Service shall be headed by a
17 Director designated by the Secretary of State from among
18 individuals having a demonstrated ability in the area of
19 security, law enforcement, management, or public
20 administration. The Director shall act under the supervision
21 and direction of the Assistant Secretary for Diplomatic
22 Security.

23 SEC. 203. POSITIONS IN THE DIPLOMATIC SECURITY SERVICE.

24 Positions in the Diplomatic Security Service shall be
25 filled in accordance with the provisions of the Foreign

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1 Service Act of 1962 (22 U.S.C. 3921 et seq.) and title 5,
2 United States Code. In filling such positions, the Secretary
3 of State shall actively recruit women and members of minority
4 groups. The Secretary of State shall prescribe the
5 qualifications required for assignment or appointment to such
6 positions. In the case of positions designated for special
7 agents, the qualifications may include minimum and maximum
8 entry age restrictions and other physical standards and shall
9 incorporate such standards as may be required by law in order
10 to perform security functions, to bear arms, and to exercise
11 investigatory, warrant, arrest, and such other authorities as
12 are available by law to special agents of the Department of
13 State and the Foreign Service.

14 TITLE III--PERFORMANCE AND ACCOUNTABILITY

15 SEC. 301. ACCOUNTABILITY REVIEW.

16 In any case of serious injury, loss of life, or
17 significant destruction of property at or related to a United
18 States Government mission abroad which is covered by the
19 provisions of titles I through IV (other than a facility or
20 installation subject to the control of a United States area
21 military commander), the Secretary of State shall convene an
22 Accountability Review Board (hereafter in this title referred
23 to as the "Board"). The Secretary shall not convene a Board
24 where the Secretary determines that a case clearly involves
25 only causes unrelated to security.

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1 SEC. 302. ACCOUNTABILITY REVIEW BOARD.

2 (a) Membership.--A Board shall consist of five members, 4
3 appointed by the Secretary of State, and 1 appointed by the
4 Director of Central Intelligence. The Secretary of State
5 shall designate the Chairperson of the Board. Members of the
6 Board who are not Federal officers or employees shall each be
7 paid at a rate not to exceed the maximum rate of basic pay
8 payable for level GS-18 of the General Schedule for each day
9 (including travel time) during which they are engaged in the
10 actual performance of duties vested in the Board. Members of
11 the Board who are Federal officers or employees shall receive
12 no additional pay by reason of such membership.

13 (b) Facilities, Services, Supplies, and Staff.--

14 (1) Supplied by Department of State.--A Board shall
15 obtain facilities, services, and supplies through the
16 Department of State. All expenses of the Board, including
17 necessary costs of travel, shall be paid by the
18 Department of State. Travel expenses authorized under
19 this paragraph shall be paid in accordance with
20 subchapter I of chapter 57 of title 5, United States
21 Code, or other applicable law.

22 (2) Detail.--At the request of a Board, employees of
23 the Department of State or other Federal agencies,
24 members of the Foreign Service, or members of the
25 uniformed services may be temporarily assigned, with or

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1 without reimbursement, to assist the Board. Upon request,
2 the Inspector General of the Department of State and the
3 Foreign Service may provide assistance to the Board.

4 (3) Experts and consultants.--A Board may employ and
5 compensate (in accordance with section 3109 of title 5,
6 United States Code) such experts and consultants as the
7 Board considers necessary to carry out its functions.
8 Experts and consultants so employed shall be responsible
9 solely to the Board.

10 SEC. 383. PROCEDURES.

11 (a) Evidence.--

12 (1) United States Government personnel and
13 contractors.--

14 (A) With respect to any individual described in
15 subparagraph (2), a Board may--

16 (i) administer oaths and affirmations;

17 (ii) require that depositions be given and
18 interrogatories answered; and

19 (iii) require the attendance and presentation
20 of testimony and evidence by such individual.

21 Failure of any such individual to comply with a
22 request of the Board shall be grounds for
23 disciplinary action by the head of the Federal agency
24 in which such individual is employed or serves, or in
25 the case of a contractor, debarment.

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1 (F) The individuals referred to in subparagraph
2 (A) are--

3 (i) employees as defined by section 2105 of
4 title 5, United States Code (including members of
5 the Foreign Service);

6 (ii) members of the uniformed services as
7 defined by section 101(3) of title 37, United
8 States Code;

9 (iii) employees of instrumentalities of the
10 United States; and

11 (iv) individuals employed by any person or
12 entity under contract with agencies or
13 instrumentalities of the United States Government
14 to provide services, equipment, or personnel.

15 (2) Other persons.--With respect to a person who is
16 not described in paragraph (1)(F), a Board may administer
17 oaths and affirmations and require that depositions be
18 given and interrogatories answered.

19 (3) Subpoenas.--(A) The Board may issue a subpoena
20 for the attendance and testimony of any person (other
21 than a person described in clause (i), (ii), or (iii) of
22 paragraph (1)(9)) and the production of documentary or
23 other evidence from any such person if the Board finds
24 that such a subpoena is necessary in the interests of
25 justice for the development of relevant evidence.

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(9) In the case of contumacy or refusal to obey a subpoena issued under this paragraph, a court of the United States within the jurisdiction of which a person is directed to appear or produce information, or within the jurisdiction of which the person is found, resides, or transacts business, may upon application of the Attorney General, issue to such person an order requiring such person to appear before the Board to give testimony or produce information as required by the subpoena.

(C) Subpoenaed witnesses shall be paid the same fee and mileage allowances which are paid subpoenaed witnesses in the courts of the United States.

(b) Confidentiality.--A Board shall adopt for administrative proceedings under this title such procedures with respect to confidentiality as may be deemed necessary, including procedures relating to the conduct of closed proceedings or the submission and use of evidence in camera, to ensure in particular the protection of classified information relating to national defense, foreign policy, or intelligence matters. The Director of Central Intelligence shall establish the level of protection required for intelligence information and for information relating to intelligence personnel, including standards for secure storage.

(c) Records.--Records pertaining to administrative

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1 proceedings under this title shall be separated from all
2 other records of the Department of State and shall be
3 maintained under appropriate safeguards to preserve
4 confidentiality and classification of information. Such
5 records shall be prohibited from disclosure to the public
6 until such time as a Board completes its work and is
7 dismissed. The Department of State shall turn over to the
8 Director of Central Intelligence intelligence information and
9 information relating to intelligence personnel which shall
10 then become records of the Central Intelligence Agency. After
11 that time, only such exemptions as apply to other records of
12 the Department of State under section 552(b) of title 5 of
13 the United States Code (relating to freedom of information),
14 shall be available for the remaining records of the Board.

15 (d) Status of boards.--The provisions of the Federal
16 Advisory Committee Act (5 U.S.C. App. 1 et seq.) and section
17 552b of title 5 of the United States Code (relating to open
18 meetings) shall not apply to any Board.

19 SEC. 324. FINDINGS AND RECOMMENDATIONS BY A BOARD.

20 (a) Findings.--A Board convened in any case shall examine
21 the facts and circumstances surrounding the serious injury,
22 loss of life, or significant destruction of property at or
23 related to a United States Government mission abroad and
24 shall make written findings determining--

25 (1) whether there are reasonable grounds to believe

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1 that the injury, loss of life, or destruction of property
2 with respect to which the Board was convened was
3 security-related; and

4 (2) whether there is reasonable cause to believe that
5 a breach of duty by an individual described in section
6 303(a)(1)(B) contributed to such injury, loss of life, or
7 destruction of property.

8 In making its findings, the Board shall take into account
9 such standards of conduct, statutes, rules, regulations,
10 instructions and other sources as may have been pertinent to
11 the performance of work and official duties.

12 (b) Program Recommendations.--The Board shall make
13 recommendations to the Secretary of State as appropriate to
14 improve the efficiency, economy, suitability, or security of
15 any program or operation which the Board has reviewed,
16 particularly recommendations to promote security awareness
17 and individual accountability for security programs.

18 (c) Disciplinary Proceedings.--

19 (1) Notice.--Whenever a Board finds reasonable cause
20 to believe that an individual has breached a duty under
21 subsection (a)(2), the Board shall promptly notify the
22 individual concerned. The Board at the same time shall
23 notify the head of the appropriate Federal agency or
24 instrumentality of such finding and recommend that such
25 agency or instrumentality initiate an appropriate

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1 Investigatory or disciplinary proceeding.

2 (2) Records.--Whenever notice of a finding under
3 paragraph (1) is made, the Board shall transmit to the
4 head of the appropriate Federal agency or instrumentality
5 a certified copy of the record of the pertinent
6 administrative proceeding undertaken by the Board under
7 this title, which shall be part of the official record
8 for all purposes of any disciplinary action against the
9 individual concerned. The head of such agency or
10 instrumentality shall maintain such copy under
11 appropriate safeguards to preserve confidentiality and
12 classification of information. For purposes of section
13 552(b) of title 5, United States Code (relating to
14 freedom of information), such portion of the copy which
15 corresponds to the portion of the original record which
16 was turned over to the Director of Central Intelligence
17 shall be deemed to be held by the Director.

18 (d) Reports.--

19 (1) Program recommendations.--In any case in which a
20 Board transmits recommendations to the Secretary of State
21 under subsection (b), the Secretary shall, not later than
22 90 days after the receipt of such recommendations, submit
23 a report to the Congress on each such recommendation and
24 the action taken with respect to that recommendation.

25 (2) Personnel recommendations.--In any case in which

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1 a Board transmits a finding of reasonable cause under
2 subsection (c), the head of the Federal agency or
3 instrumentality receiving the information shall review
4 the evidence and recommendations and shall, not later
5 than 30 days after the receipt of that finding, transmit
6 to the Congress a report specifying--

7 (A) the nature of the case and a summary of the
8 evidence transmitted by the Board; and

9 (B) the decision by the Federal agency or
10 instrumentality to take disciplinary or other
11 appropriate action against that individual or the
12 reasons for deciding not to take disciplinary or
13 other action with respect to that individual.

14 SEC. 305. RELATION TO OTHER PROCEEDINGS.

15 Nothing in this title shall be construed to create
16 administrative or judicial review remedies or rights of
17 action not otherwise available by law, nor shall any
18 provision of this title be construed to deprive any person of
19 any right or legal defense which would otherwise be available
20 to that person under any law, rule, or regulation.

21 TITLE IV--DIPLOMATIC SECURITY PROGRAM

22 SEC. 401. AUTHORIZATIONS OF APPROPRIATIONS.

23 (a) Diplomatic Security Program.--

24 (1) In general.--In addition to amounts otherwise
25 available for such purposes, the following amounts are

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2 years

1 authorized to be appropriated before October 1, 1987, for
 2 the Department of State to carry out diplomatic security
 3 construction, acquisition, and operations pursuant to the
 4 Department of State's Supplemental Diplomatic Security
 5 Program, as justified to the Congress for the respective
 6 fiscal year:

7 (A) Administration of Foreign Affairs.--For
 8 "Administration of Foreign Affairs", \$245,327,000.

9 (B) Acquisition and Maintenance of Buildings
 10 Abroad.--For "Acquisition and Maintenance of
 11 Buildings Abroad", \$857,826,000.

12 (C) Counterterrorism Research and Development.--
 13 For "Counterterrorism Research and Development",
 14 \$2,022,000.

15 (D) Antiterrorism Assistance.--For
 16 "Antiterrorism Assistance", \$4,840,000.

17 (2) Availability of funds.--Amounts appropriated
 18 pursuant to this section are authorized to remain
 19 available until expended.

20 (b) Reprogramming Treatment.--Amounts made available for
 21 capital projects pursuant to subsection (a) shall be treated
 22 as a reprogramming of funds under section 34 of the State
 23 Department Basic Authorities Act of 1956 (22 U.S.C. 2706) and
 24 shall not be available for obligation or expenditure except
 25 in compliance with the procedures applicable to such

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1 reprogramming.

2 (c) Security Requirements of Other Foreign Affairs
3 Agencies.--Based solely on security requirements and within
4 the total amount of funds available for security, the
5 Secretary of State shall ensure that an equitable level of
6 funding is provided for the security requirements of other
7 foreign affairs agencies.

8 (1) Insufficiency of Funds.--In the event that sufficient
9 funds are not available in any fiscal year for all of the
10 diplomatic security construction, acquisition, and operations
11 pursuant to the Department of State's Supplemental Diplomatic
12 Security Program, as justified to the Congress for such
13 fiscal year, the Secretary of State shall report to the
14 Congress the effect that the insufficiency of funds will have
15 with respect to the Department of State and each of the other
16 foreign affairs agencies.

17 SEC. 402. DIPLOMATIC CONSTRUCTION PROGRAM.

18 (a) Preference for United States Contractors.--
19 Notwithstanding section 11 of the Foreign Service Buildings
20 Act, 1926, and where adequate competition exists, only United
21 States persons and qualified United States joint venture
22 persons may bid on a diplomatic construction or design
23 project, for which funds are authorized to be appropriated by
24 this title, which has an estimated total project value
25 exceeding \$5,000,000.

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1 (b) Exception.--Subsection (a) shall not apply with
2 respect to any diplomatic construction or design project in a
3 foreign country the laws or policies of which prohibit the
4 use of United States contractors on such projects. The
5 exception contained in this subsection shall only become
6 effective with respect to a foreign country 30 days after the
7 Secretary of State certifies to the Congress that he has
8 urged such foreign country to permit the use of United States
9 contractors on such projects.

10 (c) Definitions.--For the purposes of this section--

11 (1) the term "adequate competition" means with
12 respect to a construction project, the presence of two or
13 more qualified bidders who are (A) United States persons
14 or are qualified United States joint venture persons and
15 (B) who are submitting responsive bids for that project;

16 (2) the term "United States person" means a person
17 which--

18 (A) is incorporated or legally organized under
19 the laws of the United States, including State, the
20 District of Columbia, and local laws;

21 (B) has its principal place of business in the
22 United States;

23 (C) has been incorporated or legally organized in
24 the United States for more than 5 years before the
25 issuance date of the invitation for bids or request

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1 for proposals with respect to a construction project;

2 (D) has performed administrative and technical,
3 professional, or construction services similar in
4 complexity, type of construction, and value to the
5 project being bid;

6 (E) has achieved total business volume equal to
7 or greater than the value of the project being bid in
8 3 years of the 5-year period before the date
9 specified in subparagraph (C);

10 (F) employs United States nationals in more than
11 half of its full-time supervisory positions in the
12 United States and will employ United States nationals
13 in 80 percent of the supervisory positions on the
14 foreign buildings office project site; and

15 (G) has the existing technical and financial
16 resources to perform the contract; and

17 (3) the term "qualified United States joint venture
18 person" means a joint venture in which a United States
19 person or persons owns at least 51 percent of the assets
20 of the joint venture.

21 (d) American Minority Contractors.--Not less than 10
22 percent of the amount appropriated pursuant to section 421(a)
23 for diplomatic construction projects each fiscal year shall
24 be allocated to the extent practicable for contracts with
25 American minority contractors.

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1 SEC. 403. QUALIFICATIONS OF PERSONS HIRED FOR THE DIPLOMATIC
2 CONSTRUCTION PROGRAM.

3 In carrying out the diplomatic construction program
4 referred to in section 401(a), the Secretary of State shall
5 employ as professional staff (by appointment, contract, or
6 otherwise) only those persons with a demonstrated specialized
7 background in the fields of construction, construction law,
8 or contract management. In filling such positions, the
9 Secretary shall actively recruit women and members of
10 minority groups.

11 SEC. 424. COST OVERRUNS.

12 Any amount required to complete any capital project
13 described in the Department of State's Supplemental
14 Diplomatic Security Program, as justified to the Congress for
15 the respective fiscal year, which is in excess of the amount
16 made available for that project shall be treated as a
17 reprogramming of funds under section 34 of the State
18 Department Basic Authorities Act of 1956 (22 U.S.C. 2706) and
19 shall not be available for obligation or expenditure except
20 in compliance with the procedures applicable to such
21 reprogrammings.

22 SEC. 405. EFFICIENCY IN CONTRACTING.

23 (a) Bonuses and Penalties.--The Director of the Office of
24 Foreign Buildings shall provide for a contract system of
25 bonuses and penalties for the diplomatic construction program

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1 funded pursuant to the authorizations of appropriations
2 provided in this title. Not later than 3 months after the
3 date of enactment of this Act, the Director shall submit a
4 report to the Congress on the implementation of this section.

5 (b) Surety Bonds and Guarantees.--The Director of the
6 Office of Foreign Buildings shall require each person awarded
7 a contract for work under the diplomatic construction program
8 to post a surety bond or guarantee, in such amount as the
9 Director may determine, to assure performance under such
10 contract.

11 (c) Disqualification of Contractors.--No person doing
12 business with Libya may be eligible for a contract under this
13 Act.

14 SEC. 486. TRAINING TO IMPROVE PERIMETER SECURITY AT UNITED
15 STATES DIPLOMATIC MISSIONS ABROAD.

16 It is the sense of Congress that the President should use
17 the authority under chapter 8 of title II of the Foreign
18 Assistance Act of 1961 (relating to antiterrorism assistance)
19 to improve perimeter security of United States diplomatic
20 missions abroad.

21 SEC. 487. CERTAIN PROTECTIVE FUNCTIONS.

22 Section 288(a) of title 3, United States Code, is amended
23 by adding at the end thereof the following: "In carrying out
24 any duty under section 282(7), the Secretary of State is
25 authorized to utilize any authority available to the

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1 Secretary under title II of the State Department Basic
2 Authorities Act of 1956.''.
3 TITLE V--STATE DEPARTMENT AUTHORITIES TO COMBAT INTERNATIONAL
4

TERROISM

5 SEC. 501. REWARDS FOR INFORMATION RELATING TO INTERNATIONAL
6 MARCOTERRORISM AND DRUG TRAFFICKING.

7 (a) International Terrorism.--Section 36(a) of the State
8 Department Basic Authorities Act of 1956 (22 U.S.C. 2708(a))
9 is amended to read as follows:

10 '(a) The Secretary of State may pay a reward to any
11 individual who furnishes information leading to--

12 '(1) the arrest or conviction in any country of any
13 individual for committing, or for conspiring or
14 attempting to commit, an act of international terrorism;
15 or

16 '(2) the prevention, frustration, or favorable
17 resolution of an act of international terrorism if the
18 act of international terrorism is against a United States
19 person or United States property and is primarily outside
20 the territorial jurisdiction of the United States.''.
21

22 (b) International Marcoterrorism and Drug Trafficking.--
23 Section 36 of such Act is further amended--

24 (1) by redesignating subsections (b), (c), (d), (e),
25 and (f) as subsections (c), (d), (e), (f), and (g),
respectively; and

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1 (2) by inserting after subsection (a) the following
2 new subsection:

3 "(b) The Secretary of State, upon the request of a chief
4 of mission and with the concurrence of the Attorney General,
5 may pay a reward to any individual who furnishes information
6 leading to--

7 "(1) the arrest or conviction in any country of any
8 individual for the commission outside the United States
9 of any narcotics-related offense if such offense involves
10 or is a significant part of conduct that involves--

11 "(A) a violation of the laws of the United
12 States for the prevention and control of illicit
13 traffic in controlled substances (as such term is
14 defined for the purpose of the Controlled Substances
15 Act);

16 "(3) an act of narcoterrorism, which includes
17 the killing or kidnapping outside the territorial
18 jurisdiction of the United States of--

19 "(1) any officer, employee, or contract
20 employee of the United States Government while
21 such individual is engaged in official duties, or
22 on account of that individual's official duties,
23 in connection with the enforcement of United
24 States drug laws or the implementing of United
25 States drug control objectives; or

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1 ''(11) a member of the immediate family of
2 any such individual on account of that
3 individual's official duties in connection with
4 the enforcement of United States drug laws or the
5 implementation of United States drug control
6 objectives; or

7 ''(C) an attempt or conspiracy to do any of
8 the acts described in paragraph (1) or (2); or

9 ''(2) the prevention or frustration of an act
10 described in paragraph (1).''.

11 (c) Funding for Rewards.--Section 35(g) of such Act, as
12 redesignated by subsection (b)(1), is amended by striking out
13 the period at the end of the first sentence and inserting in
14 lieu thereof the following: '', up to \$2,022,000 of which may
15 be used for rewards for information described in subsection
16 (b)(1)(A) or (B). In addition to the amount authorized by the
17 preceding sentence, there are authorized to be appropriated
18 \$10,220,000 for fiscal year 1987 for 'Administration of
19 Foreign Affairs' for use in paying rewards under this
20 section, up to \$5,020,000 of which may be used for rewards
21 for information described in subsection (b)(1)(A) or (B).''.

22 (d) Conforming Amendment.--Section 36(f) of such Act, as
23 redesignated by subsection (b)(1), is amended by inserting
24 ''or (b)'' after ''subsection (a)''.

25 (e) Reports on Rewards; Definitions.--Section 36 of such

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1 Act is further amended by adding at the end thereof the
2 following new subsections:

3 “(h) Not later than 30 days after paying any reward
4 under this section, the Secretary of State shall submit a
5 report to the Congress with respect to that reward. The
6 report, which may be submitted on a classified basis if
7 necessary, shall specify the amount of the reward paid, to
8 whom the reward was paid, and the acts with respect to which
9 the reward was paid, and shall discuss the significance of
12 the information for which the reward was paid in dealing with
11 those acts.

12 “(i) The purpose of the rewards provided for by this
13 section is to assist narcotics law enforcement in the
14 effective arrest and prosecution of major narcotics
15 traffickers and, in wherever appropriate, to offer rewards in
16 connection with the killing of, or attempts to kill, United
17 States officials or other employees or their families, in
18 connection with the performance of narcotics-related duties.
19 To ensure that the rewards program authorized by this
20 section, especially subsection (b)(1)(A), does not duplicate
21 or interfere with the payment of informants or the purchase
22 of evidence or information, as authorized to the Department
23 of Justice, the offering, administration, and payment of
24 rewards under subsection (b), including procedures for--

25 “(1) identifying individuals, organizations, and

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1 offenses for which rewards will be offered,

2 "(2) publication of rewards,

3 "(3) offering of joint rewards with foreign

4 governments,

5 "(4) receipt and analysis of data,

6 "(5) payment and the approval of payment, and

7 "(6) recommendations of rewards by chiefs of mission

8 to the Secretary and Attorney General,

9 shall be governed by procedures approved by the Secretary of

10 State and the Attorney General.

11 "(j) As used in this section--

12 "(1) the term 'United States drug laws' means the

13 laws of the United States for the prevention and control

14 of illicit traffic in controlled substances (as such term

15 is defined for purposes of the Controlled Substances

16 Act); and

17 "(2) the term 'member of the immediate family'

18 includes--

19 "(A) a spouse, parent, brother, sister, or child

20 of the individual;

21 "(B) a person to whom the individual stands in

22 loco parentis; and

23 "(C) any other person living in the individual's

24 household and related to the individual by blood or

25 marriage."

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1 SEC. 502. COUNTERTERRORISM PROTECTION FUND.

2 The State Department Basic Authorities Act of 1956 is
3 amended--

4 (1) by redesignating section 39 as section 42; and

5 (2) by inserting after section 38 (22 U.S.C. 2712)

6 the following new section:

7 "SEC. 39. COUNTERTERRORISM PROTECTION FUND.

8 "(a) Authority.--The Secretary of State may reimburse
9 domestic and foreign persons, agencies, or governments for
10 the protection of judges or other persons who provide
11 assistance or information relating to terrorist incidents
12 primarily outside the territorial jurisdiction of the United
13 States. Before making a payment under this section in a
14 matter over which there is federal criminal jurisdiction, the
15 Secretary shall advise and consult with the Attorney General.

16 "(b) Authorization of Appropriations.--There are
17 authorized to be appropriated to the Secretary of State for
18 'Administration of Foreign Affairs' \$1,222,000 for fiscal
19 year 1995 and \$1,222,000 for fiscal year 1997 for use in
20 reimbursing persons, agencies, or governments under this
21 section.

22 "(c) Designation of Fund.--Amounts made available under
23 this section may be referred to as the 'Counterterrorism
24 Protection Fund'."

25 SEC. 503. AUTHORITY TO CONTROL CERTAIN TERRORISM-RELATED

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SERVICES.

The State Department Basic Authorities Act of 1956 is amended--

(1) by redesignating section 40 (as so redesignated by section 532 of this Act) as section 41; and

(2) by inserting after section 39 (as added by section 532 of this Act) the following new section:

SEC. 40. AUTHORITY TO CONTROL CERTAIN TERRORISM-RELATED SERVICES.

(a) Authority.--The Secretary of State may, by regulation, impose controls on the provision of the services described in subsection (b) if the Secretary determines that provision of such services would aid and abet international terrorism.

(b) Services Subject to Control.--The services subject to control under subsection (a) are the following:

(1) Serving in or with the security forces of a designated foreign government.

(2) Providing training or other technical services having a direct military, law enforcement, or intelligence application, to or for the security forces of a designated foreign government.

Any regulations issued to impose controls on services described in paragraph (2) shall list the specific types of training and other services subject to the controls.

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1 “(c) Persons Subject of Controls.--These services may be
2 controlled under subsection (a) when they are provided within
3 the United States by any individual or entity and when they
4 are provided anywhere in the world by a United States person.

5 “(d) Licenses.--In carrying out subsection (a), the
6 Secretary of State may require licenses, which may be
7 revoked, suspended, or amended, without prior notice,
8 whenever such action is deemed to be advisable.

9 “(e) Definitions.--

10 “(1) Designated foreign government.--As used in this
11 section, the term ‘designated foreign government’ means a
12 foreign government that the Secretary of State has
13 determined, for purposes of section 6(j)(1) of the Export
14 Administration Act of 1979, engages in or provides
15 support for international terrorism.

16 “(2) Security forces.--As used in this section, the
17 term ‘security forces’ means any military or paramilitary
18 forces, any police or other law enforcement agency
19 (including any police or other law enforcement agency at
20 the regional or local level), and any intelligence agency
21 of a foreign government.

22 “(3) United States.--As used in this section, the
23 term ‘United States’ includes any State, the District of
24 Columbia, the Commonwealth of Puerto Rico, the
25 Commonwealth of the Northern Mariana Islands, and any

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1 territory or possession of the United States.

2 "(4) United States person.--As used in this section,
3 the term 'United States person' means any United States
4 national, any permanent resident alien, and any sole
5 proprietorship, partnership, company, association, or
6 corporation organized under the laws of or having its
7 principal place of business within the United States.

8 "(f) Violations.--

9 "(1) Penalties.--Whoever willfully violates any
10 regulation issued under this section shall be fined not
11 more than \$102,000 or five times the total compensation
12 received for the conduct which constitutes the violation,
13 whichever is greater, or imprisoned for not more than ten
14 years, or both, for each such offense.

15 "(2) Investigations.--The Attorney General and the
16 Secretary of the Treasury shall have authority to
17 investigate violations of regulations issued under this
18 section.

19 "(g) Congressional Oversight.--

20 "(1) Review of regulations.--Not less than 30 days
21 before issuing any regulations under this section
22 (including any amendments thereto), the Secretary of
23 State shall transmit the proposed regulations to the
24 Congress.

25 "(2) Reports.--Not less than once every six months,

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1 the Secretary of State shall report to the Congress
2 concerning the number and character of licenses granted
3 and denied during the previous reporting period, and such
4 other information as the President may find to be
5 relevant to the accomplishment of the objectives of this
6 section.

7 "(h) Relationship to other Laws.--The authority granted
8 by this section is in addition to the authorities granted by
9 any other provision of law.

10 "(i) Construction.--Nothing in this section may be
11 construed to make unlawful an activity conducted by an
12 officer or employee of the United States Government, or any
13 agent thereof, which is properly authorized and conducted in
14 accordance with Federal laws, rules, and regulations,
15 including Executive Orders, governing such activities."

16 TITLE VI--FASCELL FELLOWSHIP PROGRAM

17 SEC. 601. SHORT TITLE.

18 This title may be cited as the "Fascell Fellowship
19 Act".

20 SEC. 602. FELLOWSHIP PROGRAM FOR TEMPORARY SERVICE AT UNITED
21 STATES MISSIONS IN THE SOVIET UNION AND EASTERN
22 EUROPE.

23 (a) Establishment.--There is established a fellowship
24 program pursuant to which the Secretary of State will provide
25 fellowships to United States citizens while they serve, for a

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1 period of between one and two years, in positions formerly
2 held by foreign national employees at United States
3 diplomatic or consular missions in the Soviet Union or
4 Eastern European countries.

5 (b) Designation of Fellowships.--Fellowships under this
6 title shall be known as "Fascell Fellowships".

7 (c) Purpose of the Fellowships.--Fellowships under this
8 title shall be provided in order to allow the recipient
9 (hereafter in this title referred to as a "Fellow") to
10 serve on a short-term basis at a United States diplomatic or
11 consular mission in the Soviet Union or an Eastern European
12 country in order to obtain first hand exposure to that
13 country, including (as appropriate) independent study in
14 Soviet or Eastern European area studies or languages.

15 (d) Individuals Who May Receive a Fellowship.--To receive
16 a fellowship under this title, an individual must be a United
17 States citizen who is an undergraduate or graduate student, a
18 teacher, scholar, or other academic, or an other individual,
19 who has expertise in Soviet or Eastern European area studies
20 or languages and who has a working knowledge of the principal
21 language of the country in which he or she would serve.

22 (e) Women and Members of Minority Groups.--In carrying
23 out this section, the Secretary of State shall actively
24 recruit women and members of minority groups.

25 SEC. 583. FELLOWSHIP BOARD.

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1 (a) Establishment and Function.--There is established a
2 Fellowship Board (hereafter in this title referred to as the
3 "board"), which shall select the individuals who will be
4 eligible to serve as Fellows.

5 (b) Membership.--The Board shall consist of 6 members as
6 follows:

7 (1) A senior official of the Department of State (who
8 shall be the chair of the Board), designated by the
9 Secretary of State.

10 (2) An officer or employee of the Department of
11 Commerce, designated by the Secretary of Commerce.

12 (3) An officer or employee of the United States
13 Information Agency, designated by the Director of that
14 Agency.

15 (4) Six academic specialists in Soviet or Eastern
16 European area studies or languages, appointed by the
17 Secretary of State (in consultation with the chairman and
18 ranking minority member of the Committee on Foreign
19 Affairs of the House of Representatives and the chairman
20 and ranking minority of the Committee on Foreign
21 Relations of the Senate).

22 (c) Meetings.--The Board shall meet at least once each
23 year to select the individuals who will be eligible to serve
24 as Fellows.

25 (d) Compensation and Per Diem.--Members of the Board

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1 shall receive no compensation on account of their service on
2 the board, but while away from their homes or regular places
3 of business in the performance of their duties under this
4 title, may be allowed travel expenses, including per diem in
5 lieu of subsistence, in the same manner as persons employed
6 intermittently in the Government service are allowed expenses
7 under section 5703 of title 5 of the United States Code.

8 SEC. 604. FELLOWSHIPS.

9 (a) Number.--Up to 100 fellowships may be provided under
10 this title each year.

11 (b) Remuneration and Period.--The Board shall determine,
12 taking into consideration the position in which each Fellow
13 will serve and his or her experience and expertise--

14 (1) the amount of remuneration the Fellow will
15 receive for his or her service under this title, and

16 (2) the period of the fellowship, which shall be
17 between one and two years.

18 (c) Training.--Each Fellow may be given appropriate
19 training at the Foreign Service Institute or other
20 appropriate institution.

21 (d) Housing and Transportation.--The Secretary of State
22 shall, pursuant to regulations--

23 (1) provide housing for each Fellow while the Fellow
24 is serving abroad, including (where appropriate) housing
25 for family members; and